

**SENATE, No. 2182**

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**STATE OF NEW JERSEY**

**215th LEGISLATURE**

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INTRODUCED SEPTEMBER 20, 2012

**Sponsored by:**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**SYNOPSIS**

Creates “New Jersey Life Sciences Internship Challenge” program.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT creating the “New Jersey Life Sciences Internship  
2 Challenge” program.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. This act shall be known and may be cited as the “New Jersey  
8 Life Sciences Internship Challenge Act.”

9  
10 2. As used in this act:

11 “Academic year” means the period between September 1 and  
12 August 31 of each year.

13 “Authority” means the New Jersey Economic Development  
14 Authority.

15 “Life sciences company” or “company” means any company  
16 engaged in pharmaceutical or biotechnology research.

17 “Program” means the “New Jersey Life Sciences Internship  
18 Challenge” program established pursuant to P.L. , c. (C. )  
19 (pending before the Legislature as this bill).

20 “Subsidy” means a tax credit awarded by the authority for wages  
21 paid to summer interns pursuant to the conditions set forth in  
22 P.L. , c. (C. ) (pending before the Legislature as this bill).

23  
24 3. There is established within the New Jersey Economic  
25 Development Authority a “New Jersey Life Sciences Internship  
26 Challenge” program. The program shall provide a limited number  
27 of State subsidized summer internships for eligible students  
28 working at a life sciences company.

29  
30 4. a. The authority shall establish the total number of summer  
31 internships that shall be eligible to receive a subsidy by September  
32 1 of each academic year following the date of enactment.

33 b. The authority shall provide a subsidy for no more than 150  
34 internships for each academic year.

35 c. After the authority has established and published on its  
36 website the number of internships that will be subsidized for that  
37 academic year, it shall begin to accept student internship  
38 applications.

39  
40 5. a. In order to be eligible to participate in the program as an  
41 intern, an individual shall:

42 (1) be a resident and domiciliary of New Jersey or be a full-time  
43 student at a college or university located within New Jersey; and

44 (2) have completed at least two full-time academic years at a  
45 college or university, or its equivalent in part time credits.

46 b. Individuals who received a bachelor’s degree more than one  
47 calendar year before the start date of the internship shall not be  
48 eligible.

1       6. a. The authority shall create a password protected database  
2 of internship applicants that can be accessed via the Internet. The  
3 database shall allow a user to review basic biographical information  
4 about each internship applicant and the applicant's full resume.

5       b. The authority may contract with a public or private entity for  
6 the purpose of developing, administering, and maintaining the  
7 database. The contract shall specify the duties and responsibilities  
8 of the entity with respect to the development, administration, and  
9 maintenance of the database. The authority shall monitor the work  
10 of the entity to ensure that the database is developed, administered,  
11 and maintained pursuant to the requirements of this section.

12       c. The authority shall list in the database all applicants who  
13 meet the internship eligibility criteria set forth in section 5 of P.L.     ,  
14 c. (C.     ) (pending before the Legislature as this bill) and submit  
15 all of the documentation required by the authority for acceptance  
16 into the program.

17       d. Prior to accepting applicants and listing them in the database  
18 pursuant to subsection c. of this section, the authority shall clear the  
19 database from the previous years' applicants.

20       e. Nothing in P.L.     , c. (C.     ) (pending before the  
21 Legislature as this bill) shall be construed as restricting a company  
22 that is furnished a user name and password by the authority from  
23 utilizing the database to hire an intern for the fall or spring  
24 semester, however only summer internships shall be eligible for a  
25 subsidy.

26

27       7. a. In order to be furnished a user name and password to  
28 access the database of internship applicants, a company shall:

29       (1) be considered a life sciences company under the definition  
30 set forth in section 2 of P.L.     , c. (C.     ) (pending before the  
31 Legislature as this bill);

32       (2) have a research laboratory within New Jersey; and

33       (3) commit to providing all interns hired through the program  
34 with a substantive educational experience.

35       b. Prior to providing a company with a user name and  
36 password to access the database of internship applicants, the  
37 authority shall require the company to provide documentation  
38 demonstrating:

39       (1) that the company is in compliance with all of the  
40 requirements in subsection a. of this section;

41       (2) the total number of individuals employed by the company;  
42 and

43       (3) the location of the company's principal place of business.

44       c. Upon receipt of the documentation required pursuant to  
45 subsection b. of this section, the authority shall determine if the  
46 company is eligible to receive access to the database of internship  
47 applicants and furnish eligible companies with a unique user name  
48 and password.

1       8. a. Once a company has received a user name and password,  
2 reviewed the database, interviewed potential candidates and hired  
3 an intern, the company shall inform the authority, in writing, which  
4 internship applicant it has hired and the intern's agreed upon work  
5 schedule and wages. The authority shall then inform the company,  
6 in writing, if it has been awarded a subsidy under the program.

7       b. The authority shall award internship subsidies to eligible  
8 companies on a first come, first serve basis, based upon the date the  
9 authority receives written confirmation that the companies have  
10 hired an intern under the program until all available internship  
11 subsidies for that academic year are exhausted. The authority may  
12 elect to establish a waiting list for eligible companies to receive a  
13 subsidy.

14       c. In order to be eligible to receive a subsidy for an intern hired  
15 under the program, a company shall:

16       (1) conform to all of the requirements of subsection a. of section  
17 7 of P.L. , c. (C. ) (pending before the Legislature as this bill);

18       (2) have its principal place of businesses located within New  
19 Jersey;

20       (3) have fewer than 100 total employees; and

21       (4) submit all of the documentation required by the authority to  
22 receive a subsidy under the program.

23       d. A company shall not be eligible to receive a subsidy for  
24 more than two internships during one academic year.

25       e. A company shall not be eligible to receive a subsidy for an  
26 intern that was employed by the company in the six months  
27 immediately preceding the commencement of the internship.

28       f. A company shall not be eligible to receive a subsidy for  
29 wages paid to an intern prior to the 20th of May of each academic  
30 year.

31  
32       9. a. If a company was awarded a subsidy for an intern hired  
33 through the program, at the termination of the internship the  
34 company shall submit all of the documentation required by the  
35 authority, including, but not limited to, a copy of all of the intern's  
36 signed time sheets and pay stubs, in order to receive a written  
37 certification pursuant to subsection b. of this section.

38       b. Companies eligible to receive a subsidy shall be furnished  
39 with a written certification by the authority setting forth the amount  
40 of the credit, which shall be determined by the following formula:

41       (1) the hourly wage paid to the intern or \$15, whichever is less;

42       (2) multiplied by the number of hours worked by the intern  
43 during the first 12 weeks of the internship, provided that the hours  
44 worked beyond the first 20 in any week shall not count towards this  
45 calculation.

46  
47       10. a. For privilege periods commencing on or after January 1  
48 next following the date of enactment of P.L. , c. (C. ) (pending

1 before the Legislature as this bill), a taxpayer shall be allowed a  
2 credit against the tax imposed pursuant to section 5 of P.L.1945,  
3 c.162 (C.54:10A-5), in an amount equal to the amount certified in  
4 writing by the authority under subsection b. of section 9 of P.L. ,  
5 c. (C. ) (pending before the Legislature as this bill).

6 b. A taxpayer that receives a certification pursuant to  
7 subsection b. of section 9 of P.L. , c. (C. ) (pending before the  
8 Legislature as this bill) shall file, with the taxpayer's tax return, a  
9 copy of that certification.

10 c. (1) The Director of the Division of Taxation is authorized to  
11 adopt such rules and regulations that the director determines are  
12 necessary to administer this section, including, but not limited to,  
13 establishing any additional forms and requiring any additional  
14 documentation as may be necessary for the efficient administration  
15 of the provisions of this section.

16 (2) The order of priority of the application of the credit allowed  
17 under this section and any other credit allowed by law shall be as  
18 prescribed by the director. The amount of the credit applied under  
19 this section against the tax imposed pursuant to section 5 of  
20 P.L.1945, c.162 for a privilege period, together with any other  
21 credits allowed against the tax imposed pursuant to section 5 of  
22 P.L.1945, c.162, shall not exceed 50% of the tax liability otherwise  
23 due and shall not reduce the tax liability to an amount less than the  
24 statutory minimum provided in subsection (e) of section 5 of  
25 P.L.1945, c.162. An unused credit resulting from the limitations of  
26 this paragraph may be carried forward, if necessary, for use in the  
27 seven privilege periods following the privilege period for which the  
28 credit is allowed.

29  
30 11. a. For taxable years commencing on or after January 1 next  
31 following the date of enactment of P.L. , c. (C. ) (pending  
32 before the Legislature as this bill), a taxpayer operating a business  
33 as a sole proprietor or through a partnership shall be allowed a  
34 credit against the tax otherwise due pursuant to the "New Jersey  
35 Gross Income Tax Act," N.J.S.54A:1-1 et seq., in an amount equal  
36 to the amount certified in writing by the authority under subsection  
37 b. of section 9 of P.L. , c. (C. ) (pending before the  
38 Legislature as this bill).

39 b. A taxpayer having received a certification pursuant to  
40 subsection b. of section 9 of P.L. , c. (C. ) (pending before  
41 the Legislature as this bill) shall file with their return a copy of that  
42 certification.

43 c. The Director of the Division of Taxation is authorized to  
44 adopt such rules and regulations that the director determines are  
45 necessary to administer this section, including, but not limited to,  
46 establishing any additional forms and requiring any additional  
47 documentation as may be necessary for the efficient administration  
48 of the provisions of this section.

1       12. This act shall take effect on August 1 next following the date  
2 of enactment, but the Chief Executive Officer of the New Jersey  
3 Economic Development Authority and the Director of the Division  
4 of Taxation may take such anticipatory administrative action in  
5 advance thereof as shall be necessary for the implementation of this  
6 act.

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**STATEMENT**

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11       This bill creates the “New Jersey Life Sciences Internship  
12 Challenge” program (“program”) which provides a tax credit  
13 subsidy to certain life sciences companies for a limited number of  
14 summer internships granted for undergraduate students in the life  
15 sciences field.

16       The bill directs the New Jersey Economic Development  
17 Authority (“EDA”) to administer the program and set the number of  
18 internships that are eligible to receive a tax credit subsidy each  
19 year, which may be up to 150. The amount of the tax credit is to be  
20 equal to wages paid to the intern. However, at most \$15 per hour  
21 and 20 hours per week for 12 weeks will be subsidized. Any life  
22 science company with a research laboratory within the New Jersey  
23 may hire summer interns through the program but only companies  
24 that have their principal place of business in the State and have  
25 fewer than 100 employees are eligible to receive the tax credit  
26 subsidy.